

THE LIVESTOCK AUCTION IN OHIO  
From the Farmers' Point of View in 1934 and 1935

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In 1934 a study of the livestock auction in Ohio was begun by the Rural Economics Department of the Ohio Agricultural Experiment Station. This study was completed and a bulletin issued in October, 1935. It is now available for free distribution at the Experiment Station at Wooster. (Ohio Bulletin No. 557)

One section of the bulletin was devoted to an analysis of the opinions and general point of view of farmers toward the auction sale of livestock. Information contained in this part of the bulletin was obtained from 462 Ohio farmers by means of a mailed questionnaire. These individuals were selected by County Agricultural Extension Agents as being farmers representing a cross section of the opinion of their community.

Owing to the continued growth in the number of auction sales and to the increased interest that was manifest in auction development during 1935 it was thought desirable to again study the livestock farmer's attitude and to note any changes that might have occurred. Accordingly, in October, 1935 a questionnaire similar to the first was sent to the 462 farmers who answered in 1934. Replies were received from 283 farmers and their reports have been analyzed. A summary follows.

### Number Using the Auction in Buying and Selling

In questioning the 283 farmer-informants it was found that about the same number had used the auction in buying or selling livestock in 1935 as had used it in such marketing in 1934. In 1934, 197 farmers or 69.6 per cent of those reporting answered that they had used the livestock auction. In 1935, this group had changed only slightly, having risen to 71.0 per cent of the total, or 201 individuals. The number of farmers who had not used the auction in either buying or selling rose from 23.3 per cent of the total number reporting on this question in 1934, to 26.5 per cent in 1935. The group making no answer on this question fell from 20 persons on the first questionnaire to 7 on the last. On the whole, the proportion of farmers using the auction was not greatly changed between the two periods.

Of course, this fairly stable condition in number using the auction in buying and selling livestock does not give information that can be interpreted as indicative of the situation in every auction community since the above figures are calculated from averages. The number of farmers using certain auctions may be increasing rapidly, while at other sales the number may be decreasing with the same rapidity. However, when considering all of the auctions in territories represented by the reporting farmers the conclusion is obvious that there has been no decided change in the number of farmers using the auction sale during the year.

The number of farmers patronizing an auction sale gives little information, however, concerning the actual use made of this method in marketing Ohio's livestock. A large list of consignors can be built up by listing consignments from farmers who consign very few head of livestock and perhaps only once or twice a year. These particular consignments may be the culls of the farmers' yearly production, the major portion of their market animals being sold through other outlets

### Percentage of Livestock Sold at Auctions

A more significant measuring stick for ascertaining the actual use of the auction market is found by a comparison of the total number of head marketed through the auction with the total number of head marketed by all methods. This comparison was made on the marketings of the 283 farmers reporting for the years 1934 and 1935. The following table summarizes the results:

Table 1 - Total Livestock Sold by 283 Ohio Farmers and Number and Percentage sold through the Livestock Auction, 1934 - 1935  
by Species

| Species     | 1934              |             | 1935              |             | Pct. of Total Sales    |                        |
|-------------|-------------------|-------------|-------------------|-------------|------------------------|------------------------|
|             | Sold Thru Auction | Total Sales | Sold Thru Auction | Total Sales | Sold Thru Auction 1934 | Sold Thru Auction 1935 |
| Hogs        | 3953              | 17833       | 5759              | 17149       | 22.2                   | 33.6                   |
| Cattle      | 574               | 2460        | 1243              | 5034        | 23.3                   | 24.7                   |
| Calves      | 623               | 1269        | 762               | 1807        | 49.1                   | 42.2                   |
| Sheep       | 2200              | 6588        | 3919              | 6406        | 33.4                   | 61.2                   |
| All Species | 7350              | 28150       | 11683             | 30396       | 26.1                   | 38.4                   |

Considering the data in Table 1 by species, it can be seen that while the total hog sales by the 283 farmers dropped from 1934 to 1935, the headage sold through the auction increased. The increase amounted to 1806 hogs, or an increase of 11.4 per cent in the percentage of all hogs sold through auction markets.

The total number of cattle sold by this group in 1935 was more than twice the number sold in 1934. The number sold through the auction made a similar increase, thus producing a relatively small percentage change as between the two years.

The percentage of all calves sold by the auction method by this group of farmers declined 6.9 per cent from 1934 to 1935. Here the volume sold through the auction did not make a rise corresponding to the increase in total volume marketed.

Auction marketing of sheep nearly doubled its percentage of the total number sold, rising from 33.4 to 61.2. This rise shows a distinct move by farmers toward using the auction to a greater degree in marketing sheep in 1935 than in 1934.

Table 1 shows that the total number of all livestock sold through the auction increased from 26.1 per cent of total marketings in 1934 to 38.4 per cent in 1935. Of this number sheep made the largest percentage increase, (33.4 to 61.2); hog numbers made the next largest, (22.2 to 33.6); cattle numbers made the smallest increase, (23.3 to 24.7); and calf numbers showed a decrease in percentage, (49.1 to 42.2).

#### Percentage of Livestock Bought at Auctions

An increase was shown in the number of livestock purchased by the 283 reporting farmers through auctions in 1935 over the number purchased in 1934. The total number bought at auction markets by the group reporting was 3379 in 1934, and 4083 in 1935, an increase of 20.8 per cent. This average increase in purchases was made up by a 24.9 per cent increase in hog purchases, 3.4 per cent increase in cattle, 95.8 per cent increase in calves, and a 20.4 per cent increase in sheep purchases.

#### The Farmer's Opinion of His Satisfaction in His Individual Marketing at Auctions.

Since the group of reporting farmers used the auction to a greater degree in both buying and selling in 1935 than they did in 1934, an attempt was made to measure the individual farmer's opinion of his own marketing satisfaction through the auction in each of the years. In addition the farmers were questioned about what they considered to be the general reaction of their communities toward the selling of livestock by auction.

Assuming that the farmers satisfaction with the auction method of marketing may change from one year to the next, he was questioned in both 1934 and 1935 regarding his individual satisfaction with the auction in his previous twelve month's dealings. Data presented in Table 2 totals the farmers' replies on this question for the two years.

Table 2 - Number of Farmers Who Expressed Satisfaction, Dissatisfaction, or an Undecided Answer on Their Individual Buying and Selling Through the Livestock Auction, 1934 - 1935

|      | Satisfied |      | Dissatisfied |      | Undecided |      | No Answer |      | TOTAL |      |
|------|-----------|------|--------------|------|-----------|------|-----------|------|-------|------|
|      | No.       | Pct. | No.          | Pct. | No.       | Pct. | No.       | Pct. | No.   | Pct. |
| 1934 | 168       | 59.4 | 51           | 18.0 | 51        | 18.0 | 13        | 4.6  | 283   | 100. |
| 1935 | 191       | 67.4 | 50           | 17.7 | 33        | 11.7 | 9         | 3.2  | 283   | 100. |

It is apparent that a number of farmers who were undecided in their opinions in 1934 changed over to the satisfied group in 1935. The number who expressed a feeling of dissatisfaction with dealings through the auction in 1934 made a negligible change during the year. However, it is impossible to learn from Table 2 whether it was the same group of farmers who maintained their dissatisfied opinions during the two years or whether the movement among the groups tended to keep this group relatively stable. Table 3 has been set up to show this relationship and to show the movement among groups in greater detail.

Table 3 - Number and Percentage of Farmers Reporting Certain Attitudes Toward Their Previous Year's Experience with the Livestock Auction

| 1934         |      | 1935           |              |           |           |
|--------------|------|----------------|--------------|-----------|-----------|
|              |      | Satisfied      | Dissatisfied | Undecided | No Answer |
|              |      | - Number -     |              |           |           |
| Satisfied    | 168  | 139            | 16           | 11        | 2         |
| Dissatisfied | 51   | 17             | 20           | 8         | 6         |
| Undecided    | 51   | 28             | 11           | 12        | -         |
| No Answer    | 13   | 7              | 3            | 2         | 1         |
| Total        | 283  | 191            | 50           | 33        | 9         |
|              |      | - Percentage - |              |           |           |
| Satisfied    | 59.4 | 49.1           | 5.7          | 3.9       | .7        |
| Dissatisfied | 18.0 | 6.0            | 7.1          | 2.8       | 2.1       |
| Undecided    | 18.0 | 9.9            | 3.9          | 4.2       | -         |
| No answer    | 4.6  | 2.5            | 1.1          | .7        | .3        |
| Total        | 100. | 67.5           | 17.8         | 11.6      | 3.1       |

In Table 3 a decided change toward a satisfied attitude is shown. Of the 191 farmers who answered that they were satisfied with their dealings with the auction in 1935, only 139 of this group had been satisfied in 1934. The remainder of the 191 satisfied farmers came from 17 who were dissatisfied, 28 who were undecided and 7 who made no answer in 1934. Of the 50 farmers who expressed a dissatisfied opinion in 1935, 16 had been satisfied, 20 had been dissatisfied, 11 had been undecided, and 3 had made no answer in 1934. A move from an attitude of satisfaction in 1934 to an attitude of indecision in 1935 is shown. Eleven farmers who had been satisfied with the auction method of marketing in 1934 were undecided about their experience in 1935. Eight farmers who were dissatisfied in 1934 and

2 farmers who had made no answer in 1934 also answered that they were undecided in 1935 along with 12 farmers who were undecided during both years. Only 1 individual failed to answer this question for both years. The nine farmers who made no answer in 1935 were nearly all in the satisfied and dissatisfied groups in 1934. The lower part of Table 3 gives this same information on a percentage basis.

#### The Farmers' General Opinion of Auction Marketing

The reporting farmers were also questioned about their general attitude toward the livestock auction. (Not in relation to their marketing experiences.) The report on this question for both 1934 and 1935 was very similar to that made in answering the question regarding their actual marketing experiences in the preceding twelve months. This similarity points out that there is little probability of a farmer forming a general opinion of the livestock auction opposing that which would naturally be expected from his reaction to his actual marketing experience at the auction sale. In other words, a farmer who has been dissatisfied with his marketing through auctions cannot be expected to express a satisfied point of view when questioned respective to these experiences.

#### The Farmers' Opinion of the Community Attitude

It may be possible, however, for a farmer to hold to an opinion that is diverse from the general opinion that prevails in the community in which he lives. Realizing this fact and assuming that farmers will readily admit their own compliance or opposition to the community attitude, they were asked to name the most outstanding opinion toward the auction sale that exists in their community.

Table 4 - Number of Farmers Expressing Their Opinion of the Community Prevalence of a Favorable, Opposing, or Undecided Attitude Toward the Livestock Auction, 1934 and 1935.

| Year | Opinion of the Community |        |           |           | TOTAL |
|------|--------------------------|--------|-----------|-----------|-------|
|      | Favor                    | Oppose | Undecided | No Answer |       |
| 1934 | 145                      | 59     | 66        | 13        | 283   |
| 1935 | 185                      | 38     | 52        | 8         | 283   |

The dissimilarity that exists between Table 4 and Table 2 is brought about by differences between the farmers' opinion of the auction and the opinion which they believe is most prevalent in their community. If the farmers who reported believed that the community attitude was identical to their own, the community opinion could be obtained by merely adding the individual opinions.

The most noticeable variation that shows up in comparing the individual attitudes with those given for the community as a whole is the rise of the undecided attitude in answers regarding the community. Farmers show more indecision in answering for the predominating opinion of their community regarding the auction than they do in answering for their own opinion. This indecision may arise because the farmers believe the community to be equally divided in opinion or because they are not well enough acquainted with the situation to give a definite answer.

Satisfaction and Dissatisfaction in Relation to Total Marketings  
and to Marketings Through Auctions

It has been suggested that the dissatisfaction which the reporting farmers have shown for the livestock auction may have come from farmers who market a very small number of livestock or who do not use the auction enough to correctly evaluate its merits or demerits. If the farmers who reported unsatisfactory experiences were men who seldom market livestock, the conclusion could be readily drawn that the reporting farmers were not representative of Ohio's livestock producers. A study of this aspect of the reports indicates that this is not the case.

Table 5 - Average Number of Livestock Bought and Sold Through  
Livestock Auctions and Number Marketed by all Methods by 256  
Ohio Farmers, 1935

Number per producer

|                     | No. Marketed<br>Thru Auction | No. Bought<br>Thru Auction | Total Number Mar-<br>keted from Farm |
|---------------------|------------------------------|----------------------------|--------------------------------------|
| Satisfied Producers | 66                           | 22                         | 135                                  |
| Dissatisfied "      | 10                           | 4                          | 118                                  |
| Undecided "         | 61                           | 23                         | 127                                  |
| All "               | 55                           | 19                         | 131                                  |

A study of Table 5 gives substantiation to the statement that livestock producers who hold unfavorable or dissatisfied opinions of the auction do not use the auction intensively in their marketing. However, the fact that dissatisfied producers sold and bought fewer animals per person through auctions than any other group does not substantiate the belief that these individuals are relatively unacquainted with livestock marketing, nor does it necessarily mean that they are unfamiliar with auction marketing. The right-hand column of Table 5 points out that the differences in number of head of livestock marketed per producer are negligible as between the three groups. The relatively low use of the auction by the dissatisfied producers cannot be interpreted as accurately indicating the unfamiliarity of this group with auction marketing, since a feeling of dissatisfaction would naturally be expected to cut down consignments and purchases.

Comparison of Prices Received at Auctions with Prices Obtained  
by Other Methods

It is generally recognized by farmers that their choice between the various methods of marketing livestock is largely dependant upon prices received. A reluctance to express their satisfaction or dissatisfaction with prices received at livestock auctions was noticeable among the 283 farmers who reported on the study, 100 making no answer on their experiences with prices by the auction method. Of the 193 farmers who answered this question, 156, or 85 per cent were satisfied with prices received at auctions, while 27, or 15 per cent were dissatisfied.

In questioning the farmers regarding the comparison of auction sale prices to net prices received at terminal markets a similar answer was obtained. Data in Table 6 presents a detailed tabulation of the changes in the response to this question in 1934 and 1935.

Table 6 - Number of Farmers Reporting Opinions Regarding Prices Received at Livestock Auctions, Compared to the Net Prices that Would have Been Received for the Same Livestock at Terminal Markets, 1934 - 1935

| 1934      | TOTAL | 1935                |                         |                        |           |
|-----------|-------|---------------------|-------------------------|------------------------|-----------|
|           |       | Same as<br>Terminal | Higher than<br>Terminal | Lower than<br>Terminal | No Answer |
| Same      | 75    | 41                  | 16                      | 8                      | 10        |
| Higher    | 50    | 22                  | 26                      | 2                      | -         |
| Lower     | 35    | 9                   | 4                       | 15                     | 7         |
| No Answer | 75    | 29                  | 15                      | 7                      | 24        |
| Total     | 235   | 101                 | 61                      | 32                     | 41        |

In regard to opinions on prices there was the same general fluctuation from 1934 to 1935 as there was in other opinions expressed by the reporting farmers toward the livestock auction. In 1934, 235 farmers who reported on this aspect of auction marketing in both years reported as follows:

Seventy-five believed they received about the same as net prices obtained at terminal markets, 50 believed they received higher prices, 35 believed they received lower prices, and 75 made no answer. In 1935 a larger number of this same group of farmers reported that they believed they were getting "about the same" and "higher" prices by selling at auctions. Movement within the groups was erratic. For example: Of the 61 farmers who believed they were getting higher prices at the auction than at terminal markets in 1935, only 26 had held the same viewpoint in 1934, 16 thought they received about the same as terminal prices in 1934, and 4 reported they received lower than terminal prices in 1934.

#### Advantages and Disadvantages of Auction Marketing as Seen by Reporting Farmers

The answers of the reporting farmers on their satisfaction and dissatisfaction with their dealings through auction markets and their general attitudes toward the auction as a method of marketing livestock have been given. Some explanation for the origin of these opinions and attitudes has been given in the summary of the farmer's opinion of the prices received at auctions. All of the summaries have shown, in a general way, a growing patronage to livestock auctions and a growing satisfaction with auction marketing by the 283 farmers who reported. Since the livestock auction is in competition with other methods of marketing livestock, the weight of its advantages and disadvantages in relation to other methods will probably have much to do in deciding its permanency. These advantages and disadvantages as given by the reporting farmers are tabulated in the following table:



Table 7 - Advantages of the Livestock Auction Given in Comparison with Other Methods of Marketing Livestock by Ohio Livestock Producers, 1934 - 1935

| Advantages                                    | Number |      | Pct. of Total |      |
|---|--------|------|---------------|------|
|   | 1934   | 1935 | 1934          | 1935 |
| Furnishes market for all grades and classes   | 43     | 37   | 17.5          | 15.0 |
| Convenient, furnishes a home market           | 33     | 24   | 13.4          | 9.7  |
| Obtains good prices                           | 23     | 35   | 9.3           | 14.2 |
| More competition of buyers                    | 23     | 20   | 9.3           | 8.1  |
| Can sell at anytime                           | 19     | 26   | 7.7           | 10.5 |
| Educational, can watch stock be sold          | 18     | 21   | 7.3           | 8.5  |
| Good market for low grade stock               | 17     | 10   | 6.9           | 4.0  |
| Low cost of marketing, low commission charges | 14     | 16   | 5.7           | 6.5  |
| Prompt cash payment                           | 13     | 16   | 5.3           | 6.5  |
| Facilitates buying in larger lots             | 12     | 4    | 4.9           | 1.6  |
| Shrink is low                                 | 9      | 17   | 3.7           | 6.9  |
| Can control price by bidding in               | 7      | 9    | 2.9           | 3.6  |
| Miscellaneous <sup>/1</sup>                   | 15     | 12   | 6.1           | 4.9  |
| TOTAL   | 246    | 247  | 100.          | 100. |

<sup>/1</sup> Miscellaneous reasons include: Provides a meeting place for buyers and sellers, obtains better weights, saves time in marketing, grading brings higher prices, good market for small lots, stabilizes prices.

The auctions' advantage in furnishing a market for all grades and classes of livestock was expressed more frequently by the reporting farmers than any other advantage in both 1934 and 1935. The advantage of convenience was second in order of number of reports in 1934 but dropped to fourth place in 1935. The advantage of good prices at auctions rose from third place in 1934 to second place in 1935. The frequency with which the various advantages were expressed did not fluctuate greatly within the two years.

The reports of the disadvantages were concentrated about the spreading of disease and parasites in both years. Twenty-eight per cent of all reports listed disease and parasite dissemination as the primary disadvantage in 1934, and 21.4 per cent gave the same answer in 1935. The greatest change was in the "too many dealers" disadvantage, which placed seventh in number reporting in 1934, while in 1935 it placed third.

Table 8 - Disadvantages of the Livestock Auction Given in  
Comparison with Other Methods of Marketing Livestock by  
Ohio Livestock Producers, 1934 - 1935

| Disadvantages   | Number |      | Pct. of<br>Total |      |
|---|--------|------|------------------|------|
|   | 1934   | 1935 | 1934             | 1935 |
| Spreads disease and parasites                                 | 33     | 33   | 28.0             | 21.4 |
| Dishonesty of buyers and sellers                              | 11     | 19   | 9.3              | 12.4 |
| Low price   | 11     | 12   | 9.3              | 7.8  |
| Shortage of buyers  | 11     | 11   | 9.3              | 7.2  |
| Uncertainty of price  | 10     | 10   | 8.5              | 6.5  |
| Detrimental to established methods of marketing               | 9      | 17   | 7.6              | 11.0 |
| Too many dealers  | 7      | 19   | 5.9              | 12.3 |
| Too much by-bidding   | 6      | 5    | 5.1              | 3.2  |
| Low price for high grade livestock                            | 5      | 10   | 4.3              | 6.5  |
| Poor methods used in either grading, handling,<br>or weighing | 4      | 4    | 3.4              | 2.6  |
| Low grade of livestock handled                                | 4      | 10   | 3.4              | 6.5  |
| Miscellaneous <sup>1</sup>                                    | 7      | 4    | 5.9              | 2.6  |
| TOTAL   | 118    | 154  | 100.             | 100. |

<sup>1</sup> Miscellaneous reasons include: no responsibility for sale of livestock, too much shrink, order of sale not well arranged, dishonesty of auction management, selling costs too high, too much miscellaneous merchandise sold, animals held in yards too long.

Additional Information on the Farmers Viewpoint of  
Livestock Auctions in Ohio

In connection with a study of membership relations of the Producers Livestock Commission Association at Cincinnati in four counties of Southwestern Ohio, farmers were interviewed on their attitude concerning livestock auctions. These farmers either were or had been patrons of the Producers Cooperative Commission Association at Cincinnati, and were located in the four counties: Butler, Clinton, Highland and Preble. There were 122 farmers interviewed in the four counties - 23 in Butler, 30 in Clinton, 29 in Highland and 40 in Preble. Eighty-nine percent of the 122 farmers had livestock auctions available in their communities. That means that 109 of the 122 could market livestock through the auction if they so desired.

Table 9 shows the number of auctions that were available to these 109 farmers in the four counties. You will note that 53 percent of the 109 had one auction available to them while the balance or 47 percent had two or more auctions. Nearly 10 percent had four or more auctions operating within their trade territory. This means that these farmers, if they so desired, could market livestock at any one of four different auctions rather than marketing it through other local market outlets or the terminal yards at Cincinnati.

Table 9 - Southwestern Ohio Farmers Who Reported the Number  
of Auctions Available to them in Marketing Their Livestock

By county and total

| Number of<br>Auctions | Total |        | Number Reported |         |          |        |
|-----------------------|-------|--------|-----------------|---------|----------|--------|
|                       | Pct.  | Number | Butler          | Clinton | Highland | Preble |
| 1                     | 53.2  | 58     | 4               | 15      | 14       | 25     |
| 2                     | 21.1  | 23     | 5               | 6       | 3        | 9      |
| 3                     | 16.5  | 18     | 4               | 6       | 4        | 4      |
| 4                     | 7.4   | 8      | -               | 1       | 7        | -      |
| 5                     | .9    | 1      | -               | -       | 1        | -      |
| 6                     | .9    | 1      | -               | 1       | -        | -      |
| All groups            | 100.0 | 109    | 13              | 29      | 29       | 38     |

Table 10 - Number of Farmers Who Had and Had Not Used the  
Livestock Auction

By county and total

| Use of Auctions           | Number Reported |         |          |        | Total  |       |
|---------------------------|-----------------|---------|----------|--------|--------|-------|
|                           | Butler          | Clinton | Highland | Preble | Number | Pct.  |
| Had made consignments     | 4               | 21      | 24       | 19     | 68     | 55.7  |
| Had not made consignments | 17              | 8       | 5        | 19     | 49     | 40.2  |
| No answer                 | 2               | 1       | -        | 2      | 5      | 4.1   |
| All reports               | 23              | 30      | 29       | 40     | 122    | 100.0 |

Not all of the 122 men interviewed in this area had made consignments through the livestock auctions as would be expected. About 56 percent had made consignments through them. The remainder either had not made consignments or did not answer. This would indicate that the men who had sold livestock through the auction were in a position to give a fairly accurate opinion on their knowledge of auction marketing. Only those who had made consignments, 68 farmers in the four counties, were used for their opinions in Table 11. Nearly two-thirds of the 68 said that they were satisfied with the sales of the auction. This percentage remained uniform throughout the four counties. The percentage was slightly higher in Clinton and Preble Counties, than in the other two. Nearly one-fourth were dissatisfied with the sales at the auction and the balance were either undecided or had some question as to satisfaction. The main reasons given for not being satisfied with auction marketing was due to low prices and too much uncertainty of price. These are the principal reasons that were found for dissatisfied auction patrons.

Table 11 - Experience of 68 Farmers in Southwestern Ohio with  
Their Sales of Livestock Through Auctions and Reasons for  
Other than a Satisfactory Experience

By county and total

| Experience                         | Number Reported |         |          |        | Total  |       |
|------------------------------------|-----------------|---------|----------|--------|--------|-------|
|                                    | Butler          | Clinton | Highland | Preble | Number | Fct.  |
| Satisfied with sales at auction    | 2               | 15      | 13       | 14     | 44     | 64.7  |
| Dissatisfied with sales at auction | 1               | 5       | 5        | 5      | 16     | 23.5  |
| Both satisfied and dissatisfied    | 1               | 1       | 4        | -      | 6      | 8.8   |
| Undecided                          | -               | -       | 2        | -      | 2      | 3.0   |
| All groups                         | 4               | 21      | 24       | 19     | 68     | 100.0 |

Reasons for other than satisfactory experience

|                               |   |   |   |   |    |
|-------------------------------|---|---|---|---|----|
| Prices obtained are too low   | 2 | 5 | 3 | 4 | 14 |
| Too much uncertainty of price | - | 1 | 5 | - | 6  |
| Grading is improperly done    | - | - | 1 | - | 1  |
| Disease is spread             | - | - | - | 1 | 1  |
| No answer                     | - | - | 2 | - | 2  |

At this point it is interesting to note what these livestock farmers thought about the volume handled by the auctions. Table 12 gives the opinion of 122 farmers on the growth of livestock auctions in their community. It is rather significant to note that nearly 52 percent of the farmers interviewed thought the volume of the auction was increasing. Another 8 percent thought the auctions were holding their own as far as volume was concerned. Only 17 percent thought that the auctions were decreasing, while 23 percent either did not answer or did not know. Table 13 gives the reasons of the 63 farmers for the increasing volume handled by auctions. Three reasons stand out rather prominently in the opinions of these 63 men. Nearly 24 percent of the reasons given pointed out that the convenience of marketing, especially for small lots, was the main reason for the volume of the auctions to be increasing at the present time. Another 12½ percent gave the novelty of the method as important. Of course this would mean that after auctions are in operation for several years the auction method of selling will assume its place in the field of livestock marketing and will settle down to merely another method of marketing livestock. It has been mentioned by others that the auction has a psychological advantage to the farmer and livestock operator. There usually is a

crowd about the auction. They rub elbows with neighbors and other livestock dealers and it appeals to a certain group of livestock men. The third reason as given by this group of 63 farmers for increasing the volume at livestock auctions, was that the auction offers a good market for inferior livestock. The other reasons as given by these men are placed in order in Table 13.

Those who thought the auction was losing its importance placed their reasons as follows: The two most important reasons were that prices were too low and that farmers were losing faith in the auction. Other reasons given indicated that auction marketing has started to decline generally, and that the auction management sells the livestock too fast. Dishonesty and unethical practices were other reasons mentioned by these men. There are tabulated in Table 14.

Table 12 - Certain Opinions Regarding the Growth of Livestock Auctions as Reported by 122 Farmers in Four Southwestern Ohio Counties

By county and total

| Opinion on Growth <sup>1</sup> | Total |        | Number Reported |         |          |        |
|--------------------------------|-------|--------|-----------------|---------|----------|--------|
|                                | Pct.  | Number | Butler          | Clinton | Highland | Preble |
| Volume increasing              | 51.6  | 63     | 8               | 16      | 13       | 26     |
| Volume decreasing              | 17.2  | 21     | 3               | 5       | 9        | 4      |
| Holding their own              | 8.2   | 10     | 2               | 3       | 1        | 4      |
| Don't know                     | 14.8  | 18     | 7               | 4       | 5        | 2      |
| No answer                      | 8.2   | 10     | 3               | 2       | 1        | 4      |
| All groups                     | 100.0 | 122    | 23              | 30      | 29       | 40     |

1. By "Growth" is meant the increase in volume of livestock handled by auctions.

Table 13 - Reasons Given by 63 Farmers in Four Southwestern Ohio Counties for the Increase in Volume Handled by Livestock Auctions

| Reason                                   | Number | Percent |
|--|--------|---------|
| Convenient, especially for small lots    | 17     | 23.6    |
| Novelty of the method                    | 9      | 12.5    |
| Good market for inferior livestock       | 6      | 6.3     |
| Low expense                              | 4      | 5.5     |
| Can sell anything                        | 4      | 5.5     |
| Can see stock sold                       | 4      | 5.5     |
| Shrink is less                           | 3      | 4.2     |
| Good market for surplus and feeder stock | 3      | 4.2     |
| Dealers and traders are supporting them  | 3      | 4.2     |
| Giving satisfaction generally            | 3      | 4.2     |
| Communities are supporting them          | 2      | 2.0     |
| Obtain good prices                       | 1      | 1.4     |
| Don't know                               | 13     | 18.1    |
| Total number, including extra reasons    | 72     | 100.0   |

Table 14 - Reasons Given by 21 Farmers in Four Southwestern Ohio Counties for the Decrease in Volume Handled by Livestock Auctions

| Reason                               | Number |
|--------------------------------------|--------|
| Farmers losing faith in it           | 5      |
| Prices too low                       | 5      |
| Have started to decline generally    | 3      |
| Have too much to sell, sell too fast | 2      |
| Management and auctioneers dishonest | 2      |
| Shortage of buyers                   | 1      |
| Only handle inferior livestock       | 1      |
| Disease being spread                 | 1      |
| Establishes false prices             | 1      |
| Don't know                           | 1      |
| Total                                | 22     |

At the time of making this survey these 122 farmers in Southwestern Ohio held an unfavorable opinion on auction selling of livestock. Sixty-five of these farmers, or 53.3 percent were unfavorable to auction sales. Some of the reasons given were that they spread disease, dangerous place to buy, dishonest management, and low prices. Approximately 20 percent of the farmers were favorable to auction selling. Some of these reasons given were: Good market for inferior grades, a good place of exchange, convenient, brings buyers together, and one can sell anything. The balance was undecided as to auction marketing.

From the opinions thus given in the interviews with these 122 men who sell a good portion of their livestock on the terminal market at Cincinnati, the indication is that they are not so favorable to livestock marketing by the auction method. (Table 15) This is quite different from the reports as obtained in another section of the state which is more distant from the terminal markets. It further shows that auction marketing is on trial as far as these farmers in Southwestern Ohio are concerned.

Table 15 - Number of Farmers in Southwestern Ohio Who Reported Certain Opinions Regarding the Livestock Auction

By county and total

| Opinion of Auction Selling | Number Reported |         |          |        | Total  |       |
|----------------------------|-----------------|---------|----------|--------|--------|-------|
|                            | Butler          | Clinton | Highland | Preble | Number | Pct.  |
| Unfavorable reports        | 15              | 10      | 15       | 25     | 65     | 53.3  |
| Favorable reports          | 3               | 9       | 7        | 5      | 24     | 19.7  |
| Undecided reports          | 4               | 10      | 7        | 7      | 28     | 22.9  |
| No answer                  | 1               | 1       | -        | 3      | 5      | 4.1   |
| All reports                | 23              | 30      | 29       | 40     | 122    | 100.0 |